



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

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May 9, 1995

VIA HAND DELIVERY

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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MAY - 9 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: Rate Integration -- Petition for Rulemaking

Dear Mr. Caton:

I am pleased to file, on behalf of the Governor of Guam, the following Petition for Rulemaking requesting rate integration for the provision of communications between the U.S. Mainland and Guam.

Should you have any questions, please let me know.

Sincerely,

Robert F. Kelley, Jr.
Advisor to the Governor

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GOVERNOR OF GUAM

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
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RATE INTEGRATION FOR THE)
PROVISION OF COMMUNICATIONS)
BETWEEN THE UNITED STATES)
MAINLAND, HAWAII, ALASKA,)
PUERTO RICO/VIRGIN ISLANDS)
AND GUAM)
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**RATE INTEGRATION FOR THE PROVISION OF COMMUNICATIONS
BETWEEN THE UNITED STATES MAINLAND, HAWAII, ALASKA, PUERTO
RICO/VIRGIN ISLANDS AND GUAM**

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May 9, 1995

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PETITION FOR RULEMAKING

SUMMARY

The Governor's Office of the Territory of Guam ("Guam Governor's Office") hereby requests that the Federal Communications Commission ("FCC" or "Commission") institute a rulemaking to implement integration of rates between the United States Mainland, Hawaii, Alaska, Puerto Rico/Virgin Islands and the Territory of Guam ("Guam"). The Guam Governor's Office acknowledges that JAMA Corporation ("JAMA") recently filed a Petition to implement Domestic Rate Integration Policies for Guam¹. The Guam Governor's Office believes this Petition should also be considered by the commission because it represents the views of the people of Guam, and not those of a specific carrier.

¹ Petition for Rulemaking of JAMA Corporation, Petition for Rulemaking to implement Domestic Rate Integration Policies for Guam, filed May 1, 1995.

The Guam Governor's Office believes that (1) integration of rates will significantly reduce the cost of interstate telephone service, and (2) the non-integrated rates currently paid by the people of Guam are unreasonably discriminatory under Section 202(a) of the Communications Act of 1934 ("Communications Act"). Consequently, the rulemaking requested by the Guam Governor's Office in this Petition is both warranted and proper.

I. INTRODUCTION AND BACKGROUND

A. Guam

Guam is a small island 6,000 miles from San Francisco, 3,700 miles from Honolulu and 1,550 miles from Tokyo at 13 degrees north latitude and 145 degrees east latitude. Guam is 30 miles long and between 4 and 8 miles wide, covering an area of approximately 212 square miles. Today, Guam has a population of approximately 140,000 people.

Guam lies at the crossroads of the Pacific and is the social, political and economic hub of Micronesia. Guam enjoys a tropical climate and, although afflicted by serious typhoons, is gaining a worldwide reputation as an ideal tourist destination. Indeed, Guam's economy depends in large part on tourists from Japan, Korea, and other Asian countries. U.S. military expenditures also contribute to Guam's economy.²

Guam is an unincorporated U.S. Territory that was ceded by Spain in 1898 as a result of the Spanish American War.³ As such,

² Almost 20% of Guam's residents are U.S. military personnel, dependents or civilian employees.

³ See 30 Stat. 1754 Art II (Dec 10 1898)

it is governed by the U.S. Congress under the Territorial Clause of the Constitution.⁴ Guam is viewed as non-self-governing by the United Nations.

Initially, Guam was administered by the U.S. Navy, and the indigenous population of the island was classified as "nationals of the United States". The Commander of the Naval Station also served as the island's governor.

In 1950, Congress passed the Organic Act of Guam ("Organic Act")⁵ which established the Government of Guam, granted citizenship to the indigenous population, and transferred administration from the Department of Defense to the Department of Interior. Amendments to the Act in the 1960's and early 1970's provided for a locally elected Governor and a non-voting delegate to the U.S. Congress.

Guam is currently renegotiating its political relationship with the United States in order to secure greater local autonomy for Island residents. In 1986, Guam's Commission on Self-determination promulgated a Draft Commonwealth/Federal Territorial Relations Act. The Draft Commonwealth Act, as approved by the voters, includes a section desiring domestic treatment in telecommunications⁶. The Draft Commonwealth Act has been introduced in Congress and is awaiting action.

B. Guam Communications

The United States Navy operated all telephone services in Guam until 1953, when the civilian portion of the U.S. Navy system

⁴ Article IV, sec. 3, c12

⁵ 48 U.S.C. §§ 1421-1428e (Organic Act).

⁶ Guam Draft Commonwealth Act, Article IX Sec. 903.

was transferred to the Public Utility Agency of Guam (PUAG) in accordance with the Organic Act. In 1973, the Guam Legislature established the Guam Telephone Authority (GTA) as a public corporation.⁷ GTA acquired the entire communications system from the PUAG. Today, GTA is Guam's principal local exchange carrier with over 60,000 subscriber lines.

RCA Globcom was the only long distance provider to serve Guam until December 1982, when IT&E Overseas ("IT&E") initiated public toll service utilizing lineside access and an account number system. In 1988, MCI Communications ("MCI") acquired RCA Globecom's assets. Sprint International ("Sprint") commenced service and established a point of presence in 1994. Today, MCI, IT&E and Sprint are the major carriers on Guam. Access Telecommunication, PCI Communications, Colombia Communications, JAMA Corporation, Island Long Distance Company and others are also currently providing or planning to provide long distance service on Guam.

The existing Guam carriers provide service through international facilities of INTELSAT and fiber optic submarine cables co-owned by U.S. and foreign entities. However, on October 14, 1992, the FCC granted the application of Columbia Communications Corporation to provide a full range of domestic satellite telecommunications services, including circuits connecting to public switched networks, between the continental U.S., Alaska, and Hawaii, on the one hand, and Guam, on the other hand.⁸ The Guam Governor's Office believes that the authorization

⁷ See 12 Guam Code Ann. § 7103 (1973).

⁸ Columbia Communications Corp., 7 FCC Rcd 6616 (1992).

of Columbia will increase opportunities for lower cost communications for Guam.

C. Recent Developments and Commission Jurisdiction

Until recently, the Commission did not assert jurisdiction over the interstate interconnection activities of GTA,⁹ although the Communications Act of 1934 clearly established Guam as part of the United States for regulatory purposes.¹⁰ The Commission clarified its policy that Guam was a domestic offshore point in the Third Report and Order,¹¹ which was adopted by the Commission on September 28, 1983. Finally, on June 2, 1992, the Commission issued an Order which required GTA to show cause why it should not be required to file interstate and foreign exchange tariffs.¹² Through these activities the Commission left no doubt pertaining to its intent to exercise jurisdiction over long distance service on Guam.

These recent developments in Guam, involving the emerging competitive long distance market, highlight the need for the Commission to address the question of rate integration at this time. In fact, this Petition for Rulemaking does not represent the first time in recent years that the Commission has been called upon to address the issue of rate integration for Guam.

⁹ Nor has the FCC attempted to regulate the rates of those carriers providing service between Guam and the continental U.S., Alaska and Hawaii.

¹⁰ See 47 U.S.C. § 153 (g).

¹¹ Third Report and Order, CC Dkt. No. 79-252, 48 Fed. Reg. 46,791 (October 14, 1983)

¹² In the Matter of IT&E Overseas, Inc. and PCI Communications, Inc. Petition for Emergency Relief and Expedited Declaratory Ruling, 7 FCC Rcd 4023 (1992) ("Show Cause Order").

On June 17, 1994, Guam Telecom Ltd., L.C. filed an application for a license to land and operate a submarine fiber optic cable extending between Guam and Hawaii.¹³ The Guam Telecom Application was subsequently opposed by GTA. The GTA Opposition argues, among other things, that the cable should not be authorized until rates for services between Guam, Hawaii and the Mainland are integrated into the domestic rate averaging scheme.¹⁴ GTA raises many of the same arguments contained in this Petition, including the overarching argument that the non-integrated rates which currently prevail between Guam, on the one hand, and the Mainland U.S., Alaska, Hawaii and Puerto Rico/Virgin Islands, on the other hand, are unlawfully discriminatory.¹⁵ While GTA elected to raise the rate integration issue in the context of its Opposition to the Guam Telecom Application, it nonetheless notes:

... rate integration could be better achieved by participation in other proceedings or by the filing of a Petition of Declaratory Ruling or Rulemaking.¹⁶

This Petition provides the vehicle for the Commission to determine that there is adequate justification for rate integration for Guam.¹⁷ The Governor's Office believes there is

¹³ In the Matter of Guam Telecom Ltd., L.C., File No. SCL-94-003 (June 17, 1994) ("Guam Telecom Application").

¹⁴ In the Matter of Guam Telecom Ltd., L.C., File No. SCL-94-003 Opposition of Guam Telephone Authority, (filed July 22, 1994) ("GTA Opposition").

¹⁵ See GTA Opposition at 10-17.

¹⁶ In the Matter of Guam Telecom Ltd., L.C., File No. SCL-94-003 Reply of the Guam Telephone Authority, at 3, (Aug. 23, 1994).

¹⁷ The Guam Governor's Office is aware that other procedural mechanisms for the redress of this grievance exist, including, for example, the filing of a Section 208 complaint against AT&T, MCI, IT&E and any other carrier providing service to Guam at de-averaged rates. However, the Guam Governor's Office believes that it is preferable to attempt

no valid reason for the people of Guam to suffer the discrimination of high non-integrated telecommunications rates. Under the approach that the Commission took in considering rate integration for other offshore points, it is inconsistent, unreasonable, unreasonably discriminatory and unfair to withhold rate integration from the people of Guam.

The Guam Governor's Office believes that the Commission's rate integration policies serve the public interest and have brought significant benefits, both tangible and intangible, to the citizens of the non-contiguous points joining in rate integration. These benefits are presently denied to the people of Guam. By this Petition, the Governor's Office of Guam seeks to bring those benefits to the people of Guam.

II. THE COMMISSION SHOULD INSTITUTE A RULEMAKING LEADING TO RATE INTEGRATION FOR GUAM

A. The Rationale for U.S. Domestic Rate Integration Requires That Guam Be Rate Integrated

Prior to the establishment of rate integration policies in the 1970's, Message Telephone Service ("MTS") rates between the United States Mainland and the off-shore points (Alaska, Hawaii, Puerto Rico and the Virgin Islands) were based on international ratemaking principles. The international rates "were more than twice as high as interstate rates for comparable distances within the contiguous states."¹⁸ Hawaii facilities were included in domestic rate integration by the Commission after it received a

18 to resolve this matter in the context of a rulemaking, rather than in an adjudicated proceeding.
Referral of Questions from General Communications Inc. v. Alascom Inc., 2 FCC Rcd 6479, 6480 (1987).

request by the governor of Hawaii in 1972.¹⁹ The Commission determined that with the availability of domestic satellites an economic basis was available to justify integrating rates. Therefore the charges for communications services between the off-shore points and the Mainland should be integrated into the domestic rate pattern.²⁰

Rate integration was originally based on the principle that use of distance insensitive satellite technology will result in cost savings in providing service to off-shore points. This would further reduce the cost differential between costs of facilities used in the provision of service within the Mainland and facilities used in the provision of service between the Mainland and the off-shore points. The policies implementing rate integration in Domsat II assumed that the cost savings produced by domestic satellites would equalize those costs sufficiently to allow inclusion of the off-shore points within nationwide rate averaging without seriously penalizing Mainland users.

However, it is important to note that this economic justification - based on facility costs - was only the catalyst for rate integration. The Commission admitted in 1976:

The potential cost savings from the use of the domestic satellite technology were the catalyst for our decision to integrate these points into domestic rate patterns coincident with the inauguration of domestic satellite

¹⁹ Establishment of Domestic Communications Satellite Facilities, Proposed Second Report and Order, 34 FCC 2d 9, 117 (1972).

²⁰ Establishment of Domestic Communications Satellite Facilities, 35 FCC 2d 844, 856-857 ("DomSat II"), aff'd on recon., 38 FCC 2d L65 (1972), aff'd sub nom. Network Project v. FCC, 511 F.2d 786 (D.C. Cir. 1975).

services. But implementation of rate integration does not, and cannot, depend on actual use of domestic satellite facilities.²¹

If all that is needed is the "catalyst" of a domestic satellite license, then the authorization of Columbia Communications should be sufficient to implement rate integration on Guam. Columbia, although licensed as an international satellite system, is also authorized to provide a full range of domestic services, including MTS. It will use distance insensitive satellite technology and presumably offer services at a significantly lower rate than available from INTELSAT, through Comsat. These cost savings from the use of domestic satellite technology and the new very high capacity fiber optic cable links between Guam and Hawaii should be enough of a catalyst for the integration of Guam into the domestic rate pattern. Coupled with decreasing INTELSAT rates, this should prove that a significant rate differential is unwarranted.²²

In any event, when the Commission established its policy requiring off-shore rate integration, it did not engage in an extensive comparison of Mainland facility costs. It simply made the assumption that since domestic satellites were distance insensitive, they should cost less than submarine cable facilities

²¹ Integration of Rate Services, 62 FCC 2d 693, 695 (1976) (emphasis added).

²² For example, on November 27, 1992, the Commission granted an application for the construction and operation of the latest high capacity digital submarine cable network between the U.S. Mainland, the State of Hawaii, the Island of Guam and Japan. American Telephone & Telegraph Company et al., DA 92-1559, released November 27, 1992. In that Order, the Commission noted "circuit costs of TPC-5 will be lower than previous cable systems which should exert beneficial downward pressure on the rates for international circuitry as well as stimulate increased demand." Id. at ¶ 14.

or the INTELSAT system.²³ The Commission did not investigate projected per circuit usage, satellite fill factors, usage of the domsat systems, or other criteria to justify a rate differential without unreasonable discrimination. Instead, the Commission found a "catalyst" for a policy it knew to be in the public interest and simply conditioned domestic satellite licenses to achieve it.²⁴ As the excerpt above makes clear, the Commission did not even require the use of domestic satellites for the implementation of rate integration.²⁵ The Commission clearly and simply mandated that:

In the case of message telephone service (MTS), any such proposal shall give maximum effect to the elimination of overall distance as a major cost factor and should be designed, in specified time phases if necessary, to integrate these [. . .] United States points into the uniform mileage rate pattern that now obtains for the contiguous states, with all that such approach implies in terms of nationwide cost averaging and equalizations for interstate rate-making purposes.²⁶

²³ "With the availability of domestic satellites for communications between the mainland and Alaska, Hawaii and Puerto Rico, distance should dramatically diminish as an excuse or justification for the historic high-rate treatment that has been accorded to these services." Domsat II, at 857 (emphasis added).

²⁴ The Commission did recognize that "there may be extraordinary technical or economic factors, e.g., earth station costs and traffic loadings, that may warrant some deviation from this approach or justify a phased implementation of the integrated pattern." However, the Commission required the carriers involved to fully document and demonstrate the need for deviation from the rate integration policy. Domsat II at 857.

²⁵ Nor would the use of a specific facility be a prerequisite for rate integration for Guam. Averaged rates would apply for service without regard to whether a specific facility was used.

²⁶ Id. at 857 (emphasis added).

B. Rate Integration Will Result in Lower Cost for Guam Ratepayers

Since the FCC mandated rate integration over twenty years ago, rates for Alaska, Hawaii, Puerto Rico and the U.S. Virgin Islands have been integrated within nationwide rate averaging. This has resulted in significant reductions of interstate MTS rates for the off-shore consumers at these locations.²⁷

The inclusion of Guam in Mainland toll rate integration will likewise substantially lower costs to end users of services between Guam and other United States points. Because Guam is currently classified as part of World Zone 6, calls to and from the U.S. Mainland are classified as international.²⁸ In addition, limited international facilities coupled with high costs of construction and operation may have caused Guam to be left out of toll rate integration.²⁹ Today, however, high capacity fiber optic circuits and a United States licensed communications satellite at Longitude 174 degrees West make feasible the full integration of Guam into Mainland rates.

²⁷ Integration of Rates and Services, CC Dkt. No. 83-1376, 50 Fed. Reg. 41714, 41716 (Oct. 15, 1985).

²⁸ These calls have also required international dialing sequences. Issues surrounding the dialing sequence were left unresolved by the Show Cause Order, but are being addressed in other forums. An exchange of letters between Gov. Carl T. C. Gutierrez, Governor of Guam and Bellcore staff regarding the need for Guam to be assigned an NPA (Area) Code has resulted in Bellcore beginning the process which is expected to result in Guam being assimilated into World Zone one, the NANP and being assigned an area code in 1996. In addition, the need for assigning CICs to Guam IXCs needs to be addressed.

²⁹ The FCC references Guam several times in its proposals to adopt rate integration, but ultimately failed to apply the policy to Guam. No explanation is provided for Guam's exclusion.

Rate integration will substantially reduce off-island calling rates for citizens of Guam. Lower rates for calls between Guam and the Mainland U.S. will provide U.S. citizens of the territory with more affordable access to communications as well as promote social and economic integration between the Guam and the Mainland U.S. However, this will only occur through Commission intervention.³⁰

C. The Current Ratemaking Methodology Discriminates Against Guam Ratepayers

Others have argued before the FCC that non-integrated rates between Guam and the other points in the U.S. are unlawfully discriminatory under Section 202(a) of the Communications Act.³¹ Indeed, the FCC itself has stated, "...a rate structure that uses different ratemaking methods to determine the rates that different users pay for comparable services is inconsistent with the national policy prohibiting unjust or unreasonable rate discrimination...."³² There is no justification for the establishment of rate integration between certain off-shore points

³⁰ See Footnote 28, supra. JAMA asserts that the commission should defer full implementation of the Show Cause Order until the completion of the rate integration proceeding. JAMA states its intention to address this matter in a separate submission. JAMA Petition at 14-15. The Governor's Office will address the issues of timing and coordination of the Show Cause Order with rate integration when it is properly before the Commission. Regardless of the disposition of these issues, the Governor's Office wishes to emphasize the need for an expeditious rulemaking to address Guam rate integration.

³¹ See Opposition of Guam Telephone Authority, In the Matter of GUAM TELECOM, LTD., L.C., File No. SCL-94-003, filed July 22, 1994.

³² Integration of Rates and Services, CC Dkt. No. 83-1376, 50 Fed. Reg. 41714, 41716 (Oct. 15, 1985).

(i.e., Hawaii, Puerto Rico and the U.S. Virgin Islands) and continuing to use international ratemaking principles for other U.S. off-shore points such as Guam.

It is discriminatory to use one ratemaking method for ratepayers generally and to determine rates for another class of similarly situated citizens using a different ratemaking methodology. And yet, that obvious discrimination is directed against the people of Guam.

Substantially higher rates resulting from an unfair ratemaking methodology place a significant monetary burden on the people of Guam. However, all other citizens of the U.S., including those residing in off-shore integrated points, are beneficiaries of geographic rate averaging.

The rate averaging methodology used by AT&T to set rates for interstate service furthers:

[the] goal of providing a universal nationwide telecommunications network, ensures that rural ratepayers share in the benefits of interexchange competition and contributes to the simplicity of the MTS rate structure allowing customers to compare the interexchange carriers' charges with relative ease. 33

Rates between Guam and the U.S. Mainland (and its integrated off-shore points) are not included within geographic rate averaging, despite benefits in the use of this methodology and the Commission's support for this concept in all other U.S. communications routes. Indeed, the Commission has recently

33 Competition in the Interstate Interexchange Marketplace, 5 FCC Rcd 2627, 2649 (1990), citing Price Caps Order, 4 FCC Rcd 2873, 3132, (1989).

indicated its firm support for geographic rate averaging and required carriers to meet a very high threshold to gain acceptance of deaveraged rates.³⁴ Yet, Guam rates between the Mainland and its integrated off-shore points are still computed with international ratemaking principles and accounting rates in a manner similar to the manner in which rates for the off-shore U.S. points were computed before the implementation of rate integration.³⁵

Use of two different ratemaking methodologies is unfair and unreasonably discriminatory. The Commission has found:

Rate integration, as established in Domsat II, implicitly is a recognition that a rate structure that averages rates in forty-eight states and deaverages rates in two states could subject the residents of those two states to an unreasonable disadvantage and that, therefore, a rate structure that uses different ratemaking methods to determine the rates that different users pay for comparable services is inconsistent with the national policy prohibiting unjust or unreasonable rate discriminations, as expressed in Section 202(a), 47 U.S.C. § 202(a).³⁶

This finding demands consideration of rate integration for Guam. The Commission cannot allow this obvious discrimination to continue but must commence a rulemaking to determine the reasonableness and fairness of a separate ratemaking methodology for Guam.

³⁴ Id.

³⁵ Indeed, both the AT&T and MCI Tariffs list Guam as an international point. See, e.g., AT&T Tariff FCC No. 1, 10th Revised page 124.39, effective November 16, 1992 and MCI Tariff FCC No. 1, 1st Revised Page No. 19.9.1.5.1.3, effective October 15, 1992.

³⁶ Integration of Rate and Services, CC Dkt. No. 83-1376, 50 Fed. Reg. 41714, 41716 (October 15, 1985).

The Communications Act prohibits unreasonable discriminatory practices. Comparable services must be provided under comparable rate structures. The Guam Governor's Office does not believe that there is adequate justification, attributable to the costs of providing those services, for the current discriminatory treatment.

Even if the Commission finds high facility costs between the Mainland and Guam, it will need to compare those costs not only with Mainland costs, but also with costs between the Mainland and other off-shore points benefiting from rate integration. For example, if facility costs between Alaska and the Mainland are considerably higher than costs within the Mainland, and yet Alaskans benefit from rate integration, how much higher do facility costs to Guam need to be in order to justify rate discrimination?

It is important to keep in mind that the discrimination against the people of Guam involves a ratemaking methodology, not merely rates. Why should the method of ratemaking for Guam be different? There is no adequate justification for a different ratemaking methodology, particularly when geographic rate averaging is so firmly supported by the Commission. Justification cannot rest on a disparity of costs, since a disparity of costs is the fundamental reason behind rate averaging. National policy supporting rate averaging, consistently confirmed by the Commission, is designed for the benefit of rural consumers, whose costs are typically disproportionately high.

In its Show Cause Order, the Commission found that GTA's interconnection practices - based on international principles -are "unjust, unreasonable and unreasonably discriminatory."³⁷ The Commission therefore ordered GTA to show cause why it should not file an access tariff - based on domestic principles. If GTA is to be treated as a domestic carrier for access charge purposes, the people of Guam should benefit from domestic treatment in all other respects, including integration into the domestic rate pattern. Any other result is grossly inequitable.

D. Rate Integration is Required by the Communications Act and the National Information Infrastructure "Agenda for Action."

The Commission should not lose sight of its mandate "to make available, so far as possible, to all the people of the United States a rapid, efficient, Nation-wide and worldwide wire and radio communication service."³⁸ The fundamental policy underlying this mandate, although originally embraced in the Communications Act enacted into law over sixty years ago, has been reaffirmed with renewed commitment by the current Administration. One of the overarching themes of the Administration's "Agenda for Action" for the National Information Infrastructure is that all Americans--without exception--have access to the Nation's

³⁷ Show Cause Order, ¶ 13.

³⁸ 47 U.S.C. § 151 (emphasis added). The Show Cause Order makes clear that the Commission considers Guam to be included within the United States, and the people of Guam to be among all the people of the United States. Moreover, Section 153 of the Communications Act defines "United States" to mean "the several States and Territories, the District of Columbia, and the possessions of the United states, including the Canal Zone." 47 U.S.C. § 153 (emphasis added).

telecommunications and information infrastructure.³⁹ For example, the Agenda for Action states:

As a matter of fundamental fairness, this nation cannot accept a division of our people among telecommunications or information "haves" and "have-nots." The Administration is committed to developing a broad, modern concept of Universal Service--one that would emphasize giving all Americans who desire it easy, affordable access to advanced communications and information services, regardless of income, disability, or location.⁴⁰

The Agenda for Action goes on to state that "[b]ecause information means empowerment, the government has a duty to ensure that all Americans have access to the resources of the Information Age."⁴¹

The implementation of rate integration in Guam, and the concurrent lowering of costs for communications services, will ensure that all citizens of the U.S. are afforded access to the National Information Infrastructure. Rate integration will bring the people of Guam within the domestic rate pattern and will strengthen the economic, political and social ties that bind all the people of the United States. The Commission has fulfilled its mandate by introducing rate integration to Alaska, Hawaii, Puerto Rico and the Virgin Islands. It must do the same for the people of Guam.

³⁹ See 58 Fed. Reg. 49025 (Sept. 21, 1993).


⁴⁰ 58 Fed. Reg. at 49028 (emphasis added).

⁴¹ 58 Fed. Reg. at 49027 (emphasis added).

CONCLUSION

The exclusion of Guam from rate integration and domestic rate averaging is unreasonably discriminatory and in contravention of Section 202(a) of the Communications Act. Therefore, the Commission must undertake an immediate rulemaking leading to the implementation of rate integration for Guam.

Respectfully submitted,


Carl T. C. Gutierrez
Governor of Guam

May 9, 1995